port of processed food at present and what steps are being taken by Government to increase their exports?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SHANTILAL PURUSHOTTAMDAS PATEL): The exports of processed foods, fruits and vegetables etc. have grown from Rs. 191.75 Cr. in 1980-81 to Rs. 475.92 Cr. (Approx) in 1989-90, still the share of India in the world trade of processed foods is estimated at 1.2 per cent. There is a vast potential for increasing exports from this sector. It is with this objective in view that Government allows on exports of processed foods various incentives like Cash Compensatory Support, duty drawback, import replenishment licence, credit on easy terms etc.

Quantum of Money Supply

1026. DR. BAPU KALDATE:
SHRI A. G. KULKARNI:
SHRI VISHWASRAO RAMRAO PATIL:
SHRI TINDIVANAM G. VENKATRAMAN:

Will the Minister of FINANCE be pleased to state:

(a) what is the quantum of money supply during November/December, 1990, January 1991 as compared to the same period in 1989 and 1990; and

(b) whether it is a fact that the increase in quantum of various subsidies and expenditure on populist schemes has contributed to the exorbitant price rise, and if so, what steps are being taken to control the price rise?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) Money Supply (M3) recorded an expansion of Rs. 5733 crores between November 30, 1990 and January 25, 1991 as against that of Rs. 6247 crores in the corresponding period a year ago.

(b) In the current financial year price inflation has been exacerbated by (a) fiscal imbalances leading to monetary expansion; (b) supply and demand imbalances primarily because of supply shortages in some commodities and (c) inflationary expectations. With the hardening of international prices of oil in the wake of the Gulf crisis, there has been increase also in the cost of transportation which has added to the inflationary pressure in the economy.

Government have adopted a multipronged strategy to check the price rise. It consists of strict fiscal discipline though the monitoring of Government expenditure, moderation of the liquidity growth in the system, a more effective management of supply and demand of essential/price-sensitive commodities and strict action against hoarders and profiteers .

Improving loan systems to small scale units

1027. DR. BAPU KALDATE:
SHRI A. G. KULKARNI:
SHRI VISHWASRAO RAMRAO PATIL:

Will the Minister of FINANCE be pleased to state:

(a) whether he has received representations from Members of Parliament regarding the difficulties being faced by the small scale industries in getting loans from nationalised banks due to unhealthy practices indulged in by the banks particularly charging of compound interest, exorbitant debt servicing and insurance cover for loans; and

(b) if so, what steps Government propose to take in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) Yes, Sir. Representations regarding difficulties being faced by small scale industries in getting loans from nationalised banks are received periodically.